GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1430
ANSWERED ON:02.03.2001
STOPPAGE OF SUBSIDY TO STATE GOVERNMENTS
RAGHUNATH JHA;SADASHIVRAO DADOBA MANDLIK

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the amount of subsidy being provided by the Government on foodgrains, State-wise;

(b) whether the Union Government have decided to stop giving of subsidy to those State Governments which have failed to produce certificates of the distribution of foodgrains;

(c) if so, the details thereof;

(d) whether the subsidy to the tune of three to four thousand crore of rupees is being misappropriated by middlemen;

(e) if so, whether the officials of the State Governments are also involved in that and have nexus with middlemen; and

(f) if so, the action taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI CHAUHAN)

(a) Government does not provide subsidy directly to any State Government except those which have agreed to undertake procurement of foodgrains i.e. wheat and rice under the decentralised scheme of procurement. Presently, Governments of West Bengal, Madhya Pradesh and Uttar Pradesh only are undertaking procurement and distribution of foodgrains under the decentralised procurement scheme. Subsidy released/provided to them during the current financial year so far is as under:-

Rs/crores

State	Amount of subsidy
West Bengal	65.00
Madhya Pradesh	50.40
Uttar Pradesh	261.47

(b) & (c) : As stated in reply to part (a), substantial amounts of subsidy have already been released to the concerned State Governments during the current financial year 2000-2001. However, since financial year is about to close, these State Governments have been requested to furnish the utilisation certificates to enable the Department to clear their remaining claims.

(d) & (e) : Government have no information in this regard.

(f) Does not arise.